

*Summary Minutes*  
**Regular City Council Meeting**  
**City Council Chambers, Sedona City Hall,**  
**102 Roadrunner Drive, Sedona, Arizona**  
**Tuesday, September 28, 2010, 4:30 p.m.**

**1. Call to Order/Pledge of Allegiance - Reading of City's Vision Statement:** Mayor Adams called the meeting to order at 4:30 p.m. Vice Mayor Hamilton read the City's Vision Statement.

**2. Roll Call:** Mayor Rob Adams, Vice Mayor Cliff Hamilton, Councilor Mark DiNunzio, Councilor Barbara Litrell, Councilor Mike Ward, Councilor Dennis Rayner, Councilor Dan McIlroy

**Staff:** City Manager Tim Ernster, Assistant City Manager Alison Zelms, City Attorney Mike Goimarac, Director of Community Services Andi Welsh, Community Development Director John O'Brien, Assistant Community Development Director Audree Juhlin, Associate Planner Kathy Levin, Associate Planner Beth Escobar, Director of Public Works Charles Mosley, Wastewater Director Pat Livingstone, Revenue Manager Jodie Filardo, City Maintenance Superintendent Dan Neimy, Assistant City Engineer Andy Dickey, Police Chief Ray Cota, Communications Manager Ginger Wolstencroft, Development Services Supervisor Jim Windham, Code Enforcement Officer John Eagan, City Clerk Randy Reed

**3. Consent Calendar- Approve**

- a. Minutes – Sept. 13, 2010, City Council Joint Meeting– Historic Preservation Commission.
- b. Minutes – Sept. 14, 2010, City Council Regular Meeting.
- c. Minutes – Sept. 15, 2010, City Council Special Meeting.
- d. **AB 1074 Disband the Water Conservation Advisory Committee.**
- e. **AB 1076 New Sampling Privileges Liquor License for the Safeway store located at 2300 State Route 89A.**
- f. **AB 1080 Acquisition of Control Liquor License for the Shugrue's Hillside Grill located at 671 State Route 179.**
- g. **AB 1081 New Sampling Privileges Liquor License for the Bashas' store located at 160 Coffee Pot Road.**
- h. **AB 1082 Acquisition of Control Liquor License for the Javelina Cantina located at 671 State Route 179.**
- i. **AB 1086 Application for a Person Transfer series #6 (Bar) Liquor License for the proposed Mooney's Irish Pub located at 671 SR 179.**
- j. **AB 1095 Resolution for Chief to Execute an IGA with ASU to provide data in support of a study on violent deaths in Arizona.**
- k. **AB 1084 Bid Award for the Jordan Historical Park Rehabilitation Project To Superior Custom Builders, LLC, For \$42,635.**
- l. **AB 1088 Resolution authorizing the creation of a "No Parking" zone on Posse Ground Road.**
- m. **AB 1100 Application for a Special Event Liquor License for the Sedona International Film Festival and Workshop for a Film Festival Premier and fundraisers on October 12 and 26, 2010, located at 2081 W. State Route 89A.**

Consent items d, g, e, j and k were pulled.

***Motion: Vice Mayor Hamilton moved to approve the consent items a ,b c, f, h, i, l, m. Seconded by Councilor Ward. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**Consent item d:**

Pulled to recognize the Water Conservation committee.

Anita MacFarlane thanked the Mayor. We have done a lot of things. One of the best things was develop water day for fourth-grade children. We talked about water, recycling, how it gets to their home, about how water travels through the ground. We developed a city water code. Keith with the Arizona Water Company is here. Audree Juhlin has been our staff person, she's been wonderful to work with.

Mayor Adams encouraged anyone on the Water Conservation Committee to apply for the Sustainability Commission.

***Motion: Councilor DiNunzio moved to approve consent item d. Seconded by Council Rayner. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed..***

Consent items e & g:

Councilor Litrell requested pulling from consent agenda because she felt they needed a little more explanation. She felt it was important for the Council to have more information on sampling liquor in supermarkets.

Philip Ray, from Bashas', stated within the current confines of our liquor license we can do 12 samplings a year through a distributor, the state passed a new license that can be applied for that allows it to be under this license rather than the distributor's license. This allows for more samplings in the grocery stores on a more regular basis than are allowed through the distributor's license. Our company's intention is to do sampling on a scheduled basis. It's our intention to do this in the liquor department as they do currently. We require a barrier area and someone to card anyone who comes in there. There may be accompany cheeses or something, but our intention is to have it in the liquor department.

Councilor DiNunzio stated this refers to existing series 9 licenses, what is that license? Can any liquor store do this?

Attorney Goimarac stated he's not sure.

Mayor Adams asked if a Circle K do samplings? Can any liquor store do sampling?

Phil stated from his scope he doesn't know. Beyond the scope of his operation, he doesn't know.

Mayor Adams stated it is a state law that allows them to do that. It's really up to the state board. He asked Mike Goimarac to check into seeing if anyone with a liquor 9 license can do this.

Mike Goimarac stated it would apply to anybody selling liquor on a scale of what a liquor store would sell.

Councilor Ward asked Attorney Goimarac if the Council can discriminate between grocery stores and convenience stores in granting this down the road?

Mike Goimarac stated your approval isn't an absolute prohibition. If you chose to disapprove this license, they could go to the liquor board.



***Motion: Councilor Litrell moved to approve consent items e and g. Seconded by Vice Mayor Hamilton. Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

***Consent item J:***

Councilor Rayner requested this item be pulled because he felt this was a politically motivated.



He stated he thinks this will lead to more discrimination rather than improvement to the situation. He can't approve it.

Chief Ray Cota stated the item before the Council creates an agreement between the city and ASU. The information provided is going to be part of a national program created in 2002, The National Violent Death Recording System. The program is in operation in 17 states across the nation. It helps violence prevention groups develop strategies in preventing violent deaths. Chief Cota said he is confident the information will remain confidential.

Councilor McIlroy stated the data from the city goes to ASU, then to the national data center, then they have a policy generating responsibility. Have we received feedback from them, showing what they've done historically?

Ray stated the state of Arizona is just coming on board. Some states have not joined because of funding issues. To date no information has been provided.

Councilor McIlroy stated we do not seem to be the recipient of many violent deaths. Can you quote statistics for the past year?

Ray stated we live in a very safe area. Probably in the last 10 years there have been only 3 homicide victims.

Councilor Ward stated the intent of the data collection is for national statistics, not for state, correct?

Ray stated yes, the state of Arizona is forming an advisory group and they are offering Sedona to have someone sit on that group. It would be a generalized report, nothing specific.

Councilor Litrell asked what kind of information do you expect to get to help our police department?

Ray stated we are hoping to get a better understand of what the needs might be for our community. If there are agencies for suicide preventions or teen mental health, it'll help us know what our resources are. There are currently 17 agencies in Arizona that have signed on.

***Motion: Councilor McIlroy moved to approve j. Seconded by DiNunzio. Vote: Motion carries five (5) to two (2). (Councilor Litrell and Councilor Rayner opposed.)***

***Consent item k.***

Councilor Rayner requested this item be pulled.

Councilor Rayner stated any time the city is spending this amount of money it should not be a consent item. Initially Council did not receive a complete itemized list of where the funds were going. In general he would like to see items of this nature come be on the regular agenda. The public should be made totally aware of where the money is going.

Tim Ernster stated the city manager can approve anything up to \$100,000. If Council would like to lower that policy, we can do that.

Mayor Adams stated we do have a number which has been approved by previous Council. Part of that consideration was so we wouldn't be bogged down with everything. If Council would like to change that number we can certainly bring that up for discuss.

Councilor Rayner stated we ought to reconsider our boundaries of discussion.

Mayor Adams stated we can put that on an agenda if someone requests it.

***Motion: Councilor Rayner moved to approve award of contract for Jordan Historical Park Rehabilitation Project to Superior Custom Builders, LLC, for their total bid of \$42,635 subject to approval of a written contract by the City Attorney's office. Seconded by Councilor Litrell. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**4. Appointments**

**a. AB 1092 Approval of Stephen Thomiszer to serve the remaining two years of a three-year term on the Historic Preservation Commission.**

***Motion: Councilor Litrell moved to approve Stephen Thomiszer to fill the remaining two years of a three-year seat on the Historic Preservation Commission, expiring November 30, 2012. Seconded by Councilor DiNunzio. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**5. Community Plan Update Report/Discussion-None**

**6. Summary of Current Events**


Mayor Adams stated Walk a Hound Lose a Pound, October 2 from 8:00 a.m. to 11:00 a.m., can pre-register for \$10.00, \$15.00 the day of the event. At the ramadas at Posse Ground Park.

***Motion: Mayor Adams moved to defer the balance of Agenda Item number 6 to the end of the meeting. Seconded by Councilor Litrell. Motion carries unanimously with seven (7) in favor and zero (0) opposed.***


**7. Reports/Discussion on Council Assignments**

***Motion: Mayor Adams moved to defer Agenda Item number 7 to the end of the meeting. Seconded by Councilor Rayner. Motion carries unanimously with seven (7) in favor and zero (0) opposed.***


## **8. Public Forum**

Anita MacFarland, Sedona, stated she's here on behalf of Northern Arizona Audubon Society,  On October 2, 2010, we're partnering with the game & fish department at Page Springs fish hatchery at 7:00 a.m. to improve the trails we have there. We will provide a BBQ lunch. Bring your hat, gloves and water. She presented Council with Audubon Calendars for 2011.

## **9. Awards & Proclamations**

**a. Proclamation declaring October 30, 2010, as Veterans History Day Project (accepted by Merv Shapan).**  Merv Shapan gave a brief account of how the Veterans History Day Project came into being and how the history is recorded.

**b. Proclamation declaring October 2010 as Book Lovers' Month in Sedona (accepted by Charlene Lipka ).** Charlene Lipka stated the proclamation would be displayed at the festival at Yavapai College this Saturday.


**c. Proclamation honoring Keep Sedona Beautiful Litter Lifter and Volunteer appreciation & declaring Litter Prevention Month in Sedona (accepted by Norris Peterson).**  Norris Peterson thanked the City Council and the Mayor for the recognition. They pick up litter from around 60 to 70 miles of highway.

**d. Proclamation declaring the week of Sept. 17-23, 2010, as Constitution Week (accepted by Donna Pratt).** Donna Pratt, thanked the Mayor & Council for the Proclamation.

**e. Proclamation declaring October 2010 as Celebration of Pets as Family Month (accepted by Maia Kincaid).** Maia Kincaid, this was inspired by creating a film here in Sedona whose members took off to rescue pets from Hurricane Katrina. Maia thanked the Mayor & Council.

**f. Proclamation declaring October 14, 2010, Spirit of Sedona Day (accepted by Paul Chevalier).** Paul Chevalier, thanked the Mayor and Council on behalf of the Community Foundation.


**g. Plaque Presentation for Participation in 2010 U.S. Census (Ginger Wolstencroft).**

Ginger Wolstencroft,  Last summer we joined with the Yavapai County committee and helped with outreach going to our citizens. She received some interesting statistics. The census 2010 mail back rates for the nation were at 72%. For Yavapai County 65%, for Sedona 73%. So we ranked higher than all of those. The official state population count will be presented to the present at the end of December. We'll be able to get the City of Sedona counts by February or March.

**h. Presentation of a thank you for City funding from the Boys and Girls Club (Hayley Bruemmer).** Hayley thanked the Council for the leasing and funding of the teen center for 2010. The need is up over 1000% from last year.

***Motion: Councilor Litrell approved proclamations a-h. Seconded by Councilor Rayner. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**i. AB 1089 Resolution of recognition for the Verde Valley Regional Economic Organization (accepted by Robyn Prud'homme-Bauer).**

Robyn Prud'homme-Bauer, gave a presentation regarding the Verde Valley Regional Economic Organization. 

***Motion: Councilor Ward moved to approve a resolution of support and recognition for the Verde Valley Regional Economic Organization. Seconded by Councilor Litrell. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

Councilor DiNunzio applauded the organization for getting tangible results so quickly. He noted the resolution speaks in one location as VVREO is “a” Regional Organization and in another location as “the” regional economic development collaborative and he wondered if it should be a, or the.

Robyn replied it should be “the.” SEDI is a partner in economic development.

**10. Regular Business**

**a. AB 1044 Presentation/discussion/possible approval of a letter of support for the Verde Food Council.**

Deborah Emmanuelle, Coordinator of the Verde Food Council, stated she'll add to the PowerPoint instead of going over everything to save time. The Verde Food Council is 1.5 years old and she's been with it for 6 months. Their goal is to mobilize food to help feed the hungry in the Verde Valley. Feeding hungry families is a band aid solution. It's not addressing the core issue. We need to grow more healthy food in the Verde Valley. The Sedona Farmer's Market is real key. Connecting agriculture with people who need food is important. We'd like to put the green back in Verde. One in 7 people in the Verde Valley are hungry. Some of the reasons are loss of jobs, retirement funds reduced, decrease in hours, medical expenses. There are many people who have to decide if they want to buy medications or food. That's a hard choice. The Food Council was a brainchild of Harvey Grady who started Cornucopia. We have partners all over the Verde Valley. We're working closely with Saint Mary's in Phoenix to bring more resources into the Verde Valley. Partnerships are key. The food banks are saying their numbers are going up every single year. As of 2009 we estimated 1,500 people in Sedona are using the food banks. Nationwide 1 in 4 children don't have enough food. Whenever issues come before you that have to do with food and hunger and poverty, we'd like to be able to advise you and help you with those issues. She knows Sedona has made sustainability a big part of its mission.

*Mayor Adams took it to the public at 5:55 p.m., not seeing any, he brought it back to Council.*

Councilor McIlroy asked if taking the 1 in 7 number that means several thousand people in the Verde Valley. Are the food banks being overwhelmed?

Deborah Emmanuelle stated the 1 in 7 are the ones in need but that doesn't mean they're all using the food providers. The food banks are saying yes they are overwhelmed. Some of those people are getting food provided, but not all of them are. They're working diligently to meet the needs and yes, they are overwhelmed. We're working to bring in more produce. The quality of food is as important as the quantity.

***Motion: Councilor Rayner moved to authorize the Mayor to sign a letter of support for the Verde Food Council. Seconded by Vice Mayor Hamilton. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***


Deborah stated the letter of support from the city helps to make a strong statement to foundations where they apply for grant funding. We're seeking support from all Verde Valley cities. We're fully grant supported, so thank you.

**b. AB 1069 Discussion/Possible Action; Regarding the Sedona Transit System, including:**

**1. Update on the Verde Lynx**

**2. Transit Stops including locations of transit stops, shelters, shelter design and funding.**

Jim Wagner, from NAIPTA, stated that NAIPTA is onboard with ceasing the Roadrunner and disposing of the trolleys at no cost to the city at the time of your choosing. The Verde Lynx stands a better chance at receiving community support. It's really starting to grow in popularity.

Selena Barlow, NAIPTA's marketing consultant, gave a one year update on the Verde Lynx, which has been in place for just under eleven months. Verde Lynx, unlike the Roadrunner, is a traditional rural transit system. Selena presented ridership data and productivity growth. The cost per passenger at \$8.65 per passenger is well below their goal of \$11.50 per passenger.  The majority of riders live in the Cottonwood area and commute to jobs in Sedona. Most riders ride to get to work. 88% of all riders surveyed were on their way to or from work.

*Mayor Adams took it to the public at 6:13 p.m.*

Deborah Hyatt, Sedona, spoke with great praise for the Verde Lynx. Without the Verde Lynx she would be in very deep trouble as she does not have a car. She assumed she could move to Sedona and live here without a car, which she's done so successfully in other cities for 40 years. She invited the Council to continue its excellent work and to turn to her in any way if she could be helpful.

*Mayor Adams brought it back to Council at 6:16 p.m.*

Councilor Ward asked how receptive employers have been to getting their employees on the bus and how many employees live in Cottonwood.


Jim Wagner stated right now the employees are trickling on. Poco Diablo pays for some of their employees. Part of the problem is return trips don't necessarily coincide with when employees are getting off. There are definitely opportunities out there to get employees onboard.

Councilor Litrell asked if there are plans to expand the Verde Lynx and the schedule?

Jim Wagner stated no plans at present to expand. If Council wants to move forward and expand it, he can do that.

Vice Mayor Hamilton stated when he looked at the data on ridership as well as passengers per hour he saw a plateau in the last six months and wondered if they had any comments in that regard.

Selena stated they are approaching the goal of ridership so that would make sense. You'll probably see slower growth until you expand the level of service.


Vice Mayor Hamilton  wondered what they would do to expand the service?

Jim Wagner stated they'd offer more trips.

Vice Mayor Hamilton asked wouldn't that push up the cost per rider?


Selena stated it would until the ridership caught up with it.

Vice Mayor Hamilton asked if we've reached a market plateau of the folks who want to use these means to transfer back and forth to work.

Jim Wagner stated employers are asking for more service to meet their peak employment hours.  They're asking for more times, more availability. Maybe a peak run in the morning and afternoon to meet their schedules. The 7:15 a.m. ride is the main trip into Sedona.

Mayor Adams asked as far as they are concerned are they waiting for the Council for direction in terms of how we can improve the service or would they be looking to come to Council at some point with things to consider.

Jim stated the next step is to put shelters out to attract more riders.

Councilor McIlroy stated he realizes they're just in the formative stages.  Do you have any ideas how many businesses subsidize for their employees?

Jim stated a lot of lodging centers provide a van going back and forth to bring employees in to work. In January a lot of employers are going to give vouchers for employees to test it out.

Councilor McIlroy stated if you make it free the advantage is so strong the person will get out of the car and ride the bus. If we approve the shelter idea and later decide the Lynx is not effective would there be a use for them?

Jim Wagner stated there is a shelf life for the shelters. The shelters he's recommending would have a very small footprint.

Councilor McIlroy asked if federal funding should end, that puts the burden on the two cities, is that correct?

Jim confirmed. Selena stated it's a very old program that funds Verde Lynx. There is no reason to think that money would stop.



Councilor Rayner stated one statistic he is interested in is how many people are going from Sedona to Cottonwood for medical services?

Selena stated we know that about 25% of the riders are Sedona residents who are traveling to Cottonwood. Some portion of those are for medical appointments, some are for shopping.


Jim Wagner stated an opportunity for people is to use the Lynx and the CAT system it is something he can try to get some information on.

Councilor DiNunzio asked do you collect information from respondents whether they are round trip or one way riders?

Selena stated the vast majority are round trip riders.

Councilor Litrell asked is CAT no longer running on Saturdays?


Jim Wagner stated that is correct.

Vice Mayor Hamilton stated 25% of people are going from Sedona to Cottonwood  .

Selena stated on an average week day you have about 100 boarders, so that'd be about 50 altogether.

### **Transit Stops & Shelters**

Jim Wagner stated six complete shelter spots were identified. Currently there is \$177,000 in 5309 money and with the cities contribution there is \$221,000. The city has \$25,000 of funding for shelters. He sent three types of shelters. Two which are similar and one is the traditional model.

Mayor Adams stated he was disappointed in the information provided in the packet. We didn't have any of these spread sheets. We really didn't have good pictures of the designs. He doesn't have much of anything here to make a decision on. Does the rest of Council feel that way? We have four little slides on our packet. Why didn't we get some of these spreadsheets and possible locations in our packet? 


Andi stated the information is in the packet. We put multiple slides on one sheet to save paper and ink.

Mayor Adams stated he can't read it. The information he has isn't readable. Did we have a recommendation from staff? He's going to have a hard time moving forward with this?

Jim Wagner stated they were recommending the Southwest Fabrication shelters would be the best way to go. The cost estimates are coming in less than the other two combined. It's something we can make a branding of it.

Mayor Adams stated there's no cover on these things. Is that a light?

Jim stated it's a 7 foot by 3.5 foot wide canopy. That can be designed to have a little trim to make it Sedona's. We can make this look like Sedona's very own shelter. You'll have minimal coverage. There are not a lot of areas within the city that will lend themselves to a full size shelter. There are some spots so we could mix and match.

Councilor DiNunzio stated you are looking at 14 shelters/pads and 6 of which would have some sort of shade factor. All would have a bench. 

Wagner stated yes.

Councilor DiNunzio stated he was anticipating something that would provide shade for the riders. He has observed riders standing out in the sun and he was anticipating something to protect the riders. Are there local vendors who could provide a canopy for the summer months? Another question he had in regard to the system is whatever design we end up paying for are they mobile enough that they could be moved if it was decided they were needed in another location.

Jim stated they are. Everything is bolted to the footer.

Councilor DiNunzio would like to see what Phoenix uses. He wouldn't be able to pick one of the three after what he's seen tonight.

Council Litrell stated basically had the same reaction that she couldn't see the information so they definitely need it larger. Normally if you give her 3 options she would find one she likes but in this instance she cannot settle on one of these options. Will they design it specifically for Sedona?

Jim stated yes.


Councilor Litrell stated it needs cover from the sun. We need more choices. Are there other companies and designs out there?

Jim stated there are. We were trying to look at minimal cost.

Mayor Adams asked what the deadline is on spending this money.

Jim stated he's not sure. He'll get back to them with something that provides shade.

Mayor Adams expressed he really didn't have enough information to make a decision. We can decide whether we're going to go with \$25,000 or \$40,000 or nothing. He doesn't have enough to make a decision and we're under the gun on time tonight. Is that ok with Council? We're not prepared to make these decisions.

Vice Mayor Hamilton stated we have an issue before us with the Roadrunner going away. What might serve as some kind of a business area transit system, we don't know. We might not know until January.  He doesn't understand how the city can make any kind of an informed decision about picking benches when they don't know what they are doing with the Roadrunner. His suggestion is looking at tabling this as they did the demise of the Roadrunner until they have that transit report in hand. Is January 15<sup>th</sup> way too far beyond what that money might still be available for?

Jim Wagner stated to answer that he would have to go back to the office to Heather.

Mayor Adams stated the question is: are we committed to public transit? If we are supporting Verde Lynx we can make a decision tonight on spending a certain amount of money and then decide where the shelters go and what they look like later on.

Councilor McIlroy, this money we are trying to figure out when it expires, how much is it?

Jim stated \$177,000 in grant funding. If you match that with \$44,000 you'd have a total of \$221,000.

Councilor McIlroy stated with this federal money plus our contribution we could pay for all 14 shelters.

Jim stated even with the \$25,000 match, we have \$125,000 to spend so we could still get 14 shelters with this particular design. If you want to enclose it, it will bring the cost up and he'll have to bring the cost back.

Councilor Ward stated the total cost of six shelters in the Tolar design is \$84,500.

Wagner stated if you wanted to put up 14 shelters it'd be \$175,000 based on this information.

Councilor Ward stated he agrees we need shelters and should have done it along time ago. It's all about shade.

Councilor DiNunzio stated he would like staff to look at this and see what additional cost the staff would see. We need to do it first class.

Tim Ernster stated right now we have \$24,000 allocated in our budget.

Mayor Adams stated so the extra money would have to come out of contingency. Staff should have looked at the options with NAIPTA and presented their recommendations to the Council. Without recommended locations and options, that's where it needs to go at this point. He has no idea where we want to put these things.

Tim Ernster apologized for the materials not being readable. This is the list of the various locations for the shelters.

Jim Wagner stated we have 14 locations, six for full shelters.

Mayor Adams stated the total dollar amount is what? We don't know what we're talking about. It's frustrating.

Jim Wagner suggested going back and get with staff, and come back with better pictures and a fabricated design that would lend itself with shade. He'll make it very clear.

Mayor Adams stated come back with a total dollar amount so we can decide how much to kick in.

Councilor Rayner asked have we actually decided we are going to go ahead with the Verde Lynx service? That should have come before the shelters. That should be first.

Mayor Adams stated if that's a discussion Council wants to have, let him know.

Councilor Litrell stated she never thought Verde Lynx was in question.

Councilor Rayner stated the City Manager's recommendation refers to the Council only deciding on shelters if it intends to continue support for the Verde Lynx.


Tim Ernster stated the reason it says that is because over the past six months, Council has discussed transit on numerous occasions. There have been comments made on whether or not you're going to look at Verde Lynx. When Council discussed it in April, you asked Jeff Meilbeck to come back in the fall with ridership numbers.

Vice Mayor Hamilton stated we still have that decision in front of us about the transit system. It isn't just yes or no about Verde Lynx, or extending it down SR 179. We could find ourselves with some additional funding available if we discontinue the Roadrunner. This all seems quite premature to figure out where we are going to put shelters. It's not about keep it or lose it, it's about extend it, how far, again he's suggesting we table this until we know what we might want to do with the Verde Lynx. We just don't have the information we need to simply delay this until we find out from our transit committee.

Mayor Adams stated it is part of our Community Plan that we support transit and if we choose to go against that he feels we are going against the Community Plan. He thinks we need a commitment that we are going to support public transit. Apparently according to the numbers up there we are hitting the targets. He thinks we need to make our decisions based on the fact that yes we are supporting public transit, the Verde Lynx is our transit, so we want to move forward by taking advantage of the federal funding that is available and making that statement that we are putting the shelters and supporting it and that would be a big part of getting the community buy-in.

Councilor DiNunzio stated in his mind we had an existing system with an existing route and that would improve the route and attract more riders. Right now we have a route and people are standing on sidewalks or gravel or someone else's landscaping waiting to get on the bus. This is a necessary amenity to improve our current system. We have known for as long as he has been in Sedona there is a need to bring our work force into town. He thinks we ought to make a decision to go ahead and look at how much funding is available and what the options are and not postpone it.

Councilor Litrell stated she supports the Verde Lynx and we budgeted money to support shelters and she thinks we should go ahead and support shelters. We can go forward with what we have now. She thinks it would be a huge mistake for us not to support the Verde Lynx. We need to grow it and it needs more marketing.

Councilor Ward, he supports the Lynx conceptually.  We've been wasting about ½ hour to 45 minutes kicking around a topic that isn't appropriate for discussion at this time in his view. We need to wait for the report from the transit committee. Then we can decide where we should spend the money.

Councilor Rayner stated he whole heartedly supports the Verde Lynx, and comes back to the point that no where in the Community Plan does it specify what that public transportation should be. We need to agree that it will be the Verde Lynx number one. After that we need to talk about the shelters. He supports public transportation.

Councilor McIlroy stated he thinks we should clarify by a motion and vote to support the Verde Lynx and get that behind us. We can probably table the shelters until we get a report on a dead line. Let's clarify the fact that we all support, if we do, the Verde Lynx.

Vice Mayor Hamilton, two weeks ago we had a discussion about the Roadrunner. Let's get some information to make an intelligence decision. He'd like to table the discussion on the funds for the shelters until we get the taskforce report and the new design of the shelters so we can make that choice.

Mike Goimarac, under the Arizona law you are allowed to discuss what's on the agenda. It doesn't give him heartburn if you want to do a motion yes or no on supporting the Verde Lynx for purposes of pursuing further discussions.

**Motion: Mayor Adams moved that the Sedona City Council supports the Verde Lynx as the public transit system for the City of Sedona additionally he moved to table further discussion regarding the funding of the transit shelters as well as discussion of location of said transit shelters until we receive information on the deadline on the federal funding that is available . Seconded by Councilor McIlroy.**

Councilor Ward asked to separate the motion into two.

**#1 Motion: Mayor Adams moved that the Sedona City Council supports the Verde Lynx as the public transit system for the City of Sedona. Seconded by Councilor McIlroy. Vote: Motion carries five (5) to two (2) (Vice Mayor Hamilton and Councilor Ward opposed).** They didn't feel this was the appropriate time to make that decision.

Vice Mayor Hamilton asked if that means we're supporting the Lynx as it exists and its current costs? Because if the Roadrunner goes away those costs will go up.

Mayor Adams stated we do support it as it does exist, not considering the circulator as part of the equation. Staff is concerned because they don't know if Council supports this. That's what staff wants to know. How long are we going to beat this thing up?

Vice Mayor Hamilton stated it's an impossible motion to define, to understand what we're voting on. If we want to make a political statement that's one thing.

Mayor Adams stated obviously there are going to be adjustments. If the RoadRunner goes away there's going to be additional costs.

Councilor Ward stated he agrees with Vice Mayor Hamilton. This is the wrong time for this discussion. We're all frustrated with the shelter issue. That needs to be tabled to another time.

*Motion: Mayor Adams moved to table additional discussion regarding the funding for the transit shelters as well as discussions on the location, and design of transit shelters until we receive information regarding the deadline of federal funds that are available. Seconded by Councilor Rayner. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed..*

**Break 7:20 -7:39 p.m.**

**c. AB 1046 PUBLIC HEARING: Discussion/Possible Action concerning amendments to Chapter 13 of the City Code related to (1) assessment of capacity fees and capacity fee increases (2) creation and assessment of non-user service fees and increases (3) allowing deferred connections to the city wastewater system and (4) creation of an amnesty program to encourage currently non-compliant properties to come into compliance with the code.**

Tim Ernster, in an effort to save time this evening would like to suggest instead of staff making a presentation the information was included in the Council packet. There have been three previous conversations this calendar year on this topic. At the July 13<sup>th</sup> meeting Council spent a considerable amount of time to provide homeowners up to ten years for a deferral. Council decided to take action to provide some relief to Chapel homeowners. What we would like to do is respond to any specific questions from the Council. There are two items before the Council, one is approval of a resolution and one is approval of an ordinance to reflect all the changes the Council made to Chapter 13 pertaining to wastewater. Alison Zelms did a great job preparing this Council communication.

*Mayor Adams took to the public at 7:42 p.m.*

John Neville, Sedona, noted that he sent the Council communications on this issue several times in the past and he wanted to make sure that his thoughts were reflected. His feeling is the sewer system was ill conceived to begin with. In terms of costs of operations and sewer debt we need to separate the debt from the cost of operation. The debt is part of our infrastructure. We as members of the community need to help pay that debt down. The costs of operation are the responsibility of people who are hooked up to the sewer system. If you segregate the two of them and look at ways to drive down the cost of operation, there are many ways to do that. Many people have come forward with ideas, we can drive down the cost of being hooked up to the sewer. Those who want to be hooked up to the sewer system can pay those costs, those who are not are responsible for operating safe onsite systems. The cost of upgrading an existing septic system is much less than the cost of hooking up to the sewer. He noted he sent something to the Council in April which recommends dividing the two costs. What we do not do is fine people, which is what they perceive, who are not hooked up to the sewer system by accessing fees they are not getting.

*Mayor Adams brought back to Council at 7:46 PM*

Vice Mayor Hamilton isn't there a question regarding deferrals. We need to make a decision about the deferrals under the amnesty period.

Mayor Adams stated that will come under the amnesty part.

Councilor Ward stated there was some discussion about whether people who are getting amnesty to further defer their connection to the sewer. He can buy into anything as long as they don't get more than 10 years from the time they were originally notified that they need to connect. So if they have 2 years remaining, they can defer for 2 more. It can't exceed 10 years from the time they were notified to connect.

Attorney Goimarac noted we are only talking about 34 people. In order to keep track of when those people received notice of sewer availability and track when they got the notice is somewhat cumbersome. In order to encourage people to come forward and pay it would take a large incentive to do that so yes you would have to offer them a 10 year deferral system to bring them current. He understands the equity part. He does not condone offering people decades to not connect because the prevailing concept is the sewer system is environmentally superior than remaining on the septic system. The whole reason we have a sewer system is because we were mandated to do it because of the environmental consequences of having a whole city on individual septic systems.

Councilor Litrell stated does allowing a deferral for only 5 years change anything?

Attorney Goimarac, yes it would require changes to the ordinance to the amnesty period. It would require changes to the language.

Alison Zelms stated if the goal is to bring people into compliance than the best opportunity to do that is to ensure them some sort of amnesty. She doesn't know if it will have a major impact one way or another, but it may make it more clear to the public.

Councilor Ward stated when people own multiple properties that are adjacent we discussed not having to pay a vacant land fee for that second parcel if it's adjacent to their residential parcel. There was the possibility of going to the county and having the parcels merged.

Charles stated it's on B-12 item b.

***Motion: Vice Mayor Hamilton moved to approve Resolution No. 2010-27 creating a public record entitled "Series II, 2010 Changes to Chapter 13 Wastewater," setting forth proposed changes to Chapter 13 of the Sedona City Code. Vice Mayor Hamilton further moved per adoption of this resolution to amend the Base Sewer User Rate Table by adding the non-user service fee all as set forth in the exhibit attached to the resolution. Seconded by Councilor Rayner. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**AFTER FIRST READING:**

***Motion: Vice Mayor Hamilton moved to approve ordinance No. 2010-14 adopting amendments to Chapter 13 "Wastewater" of the Sedona City Code. Seconded by Councilor DiNunzio. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**d. AB 1060 Discussion/possible Action regarding a contract with Revenue Discovery Systems for revenue generation support.**

Tim Ernster noted that Council has had an opportunity to discuss this on a couple of occasions. At the last meeting the Council gave some very specific direction.

Jodie Filardo noted that Jennifer Wesselhoff CEO of the Chamber left supporting remarks from the Chamber.

Councilor Ward stated he was disappointed that we were not going to get the 1.05% but he assumes that was negotiated in good faith. Who is administering the new business licenses? They get the \$9.95 out of the \$25 we get for business licenses.

Ernster stated this is an additional service. It's going to relieve the staff of the burden of administering the business licensing program. They'll get \$9.95 and we'll keep the remainder of the \$25.

Jodie stated part of the reason we delayed bringing you the licensing code changes to our city code is we want to make sure we're complying with a new Arizona statute. \$25 is standard. We didn't feel at this time that we wanted to burden our businesses.

Vice Mayor Hamilton stated the first year we are paying 1.05% of gross revenues for the collection services, rising to 1.20% in year 4. If revenue was going up those numbers should be going the other way. Can you give us an explanation as to why that is the right thing to do?

Jodie Filardo stated that is standard practice for this kind of a business. Those numbers were negotiated down from the original presentation by RDS. We were offered 1.5% to start, we were negotiating to keep our numbers more manageable and more easily predictable.

Vice Mayor Hamilton stated he was trying to find a justifiable reason why those numbers would go up.

Jodie stated if we presume our tax revenues would go up 4%, that brings in almost \$500,000 to the city. Because they're going to be processing more money on our behalf, we think they're due more fee.

Vice Mayor Hamilton stated if they're processing more money, it would raise the same if it stayed the same percentage. Why does the percentage have to go up as well?

Tim Ernster stated one of the things we tried to negotiate was capping the annual total amount that will be paid to RDS. If our sales tax collections goes up our payment goes up, so we wanted to cap that and that way there would be a certainty of the maximum we would pay them. We tried to negotiate that in the agreement, but they wouldn't negotiate that. They wouldn't discuss that. Part of it is how they conduct their business with other cities in Arizona. The one thing they did include was the cost per transaction. We tried to negotiate that number down and we were unable to get that number down.

Vice Mayor Hamilton stated he saw the per transaction thing. So we don't have a cap and the fees go up. He wonders if we should look at other firms.

Jodie stated there is no other firm that does third party sales tax collection and manage our delinquent accounts for us and provide business license support. There are software firms out there. The City of Douglas purchased a software package, of which tax management is a piece. It's a very big undertaking for a city. The choice is RDS or hire staff here, self collect here and buy a software package to manage that.



Vice Mayor Hamilton there are other firms that do separate pieces.

Jodie stated there is no competitor for these guys.

Vice Mayor Hamilton stated so if you want to do this they're a monopoly.

Tim Ernster stated if the Council was not comfortable not going through an RFP process to see if there's another company out there, we could do that. It would delay the implementation for a few months. At the last meeting we had a representative from The League of Arizona Cities and Towns went out and looked for other service providers that provide this type of service. We're piggybacking on the League's relationship with RDS. The alternative is to go out through an RFP process to see if there is another company out there.

Vice Mayor Hamilton stated he's not convinced it's the right company to do it with.

Attorney Goimarac stated in our negotiations we did negotiate that we have the right to terminate this agreement with 90 days notice. So after a year or two we find someone better to play with or we want to go in house we can always move on to something else.

Mayor Adams stated or we could go back to the state.

Councilor DiNunzio stated this year we will take in 10 million dollars in sales tax revenue. Their fee at 1.05% is \$15,000. The second year they get \$15,000, that is what we are arguing about. The second point he would like to make is every time he shops insurance companies their first year is low and then they ratchet it up. Can you get it done for less than \$100,000 a year to have all this work done? If it really is that lucrative there will be competitors that start to show up. Right now we have a proven provider who will get us up and running quickly and all those benefits to self collection will be ours in January.

Jodie stated one of the things we are excited about with RDS is the high caliber of the high quality product they produce and the staff they have. They have a 24-hour support service out of their web site and a hotline for our taxpayers Monday through Friday. Now for any of our businesses to reach someone at ADOR is really difficult. Our tax payers are going to be receiving a much better service and we'll be much more confident that we're collecting the sales tax that we're due. Today when someone pays online they get a confirmation number. That number doesn't tie to anything when you call. With RDS your confirmation number will tie to something when you call the hotline.

Councilor Litrell asked do you know how the 1.05 and 1.2 compare to other cities?

Jodie stated the only one she's compared to is Bullhead City. They started out with 1.5 for two years then went to 1.2 from that year forward.

Tim Ernster stated it was 1.05 the first year then it went to 1.2 the second year.

Councilor McIlroy stated for every dollar of cost to us there's \$2 to \$3 in revenue generated.

Jodie stated she thinks he must be thinking of the audit presentation.

Councilor McIlroy asked if we have any idea what they'll do for us in their direct collection?

Jodie stated because of an overlap situation between ADOR payments and RDS payments and the timing of those things. The way ADOR works, somebody pays for something in September, the businesses sends the tax to ADOR in October and we get it in November. When we have RDS, if a customer pays in September, when the business remits it in October we see it in Sedona in October. It can be 6-8 weeks, but 4-6 weeks lag time is what we have with ADOR. Right now, if RDS receives it, it gets deposited in our account within one day.

***Motion: Councilor Litrell moved to approve the contract between the City of Sedona and PRA Government Services, LLC d/b/a Revenue Discovery Systems for revenue generation support. Seconded by Councilor Rayner. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**e. AB 1059 Discussion/Possible Action; Contract with Carollo Engineers for Phase II of Effluent Management Plan Study.**

Charles Mosley, the item before you is a professional services contract with Carollo Engineers. The intent of that phase is to do an initial construction of wetlands phase 1, to gather data so we can project expansion of wetlands meeting our effluent management needs. We also want to gather information regarding injection. This contract does do some gathering of information for injection though it doesn't do installation of a test injection well. It does do some pumping of existing well onsite. The budget for this fiscal year for this portion of the study is \$553,000. The contract provides a baseline contract of \$349,964. That work is for the design. There may be up to \$100,000 for construction of the designed wetlands by our Job Order Contractor which is Brewer Brothers. There is a difference between the Budget and construction amounts and that is intentional to make sure we can get that construction done. The next part is a portion for optional tasks, tasks that can be selected if there are available funds. That work would only be done if authorized by Council. The intent is to stay within \$553,000 and allow some room if funds are available to move forward with the study. There are amenities that could be added to the wetlands area if that were the desire. Cost and scope would be looked at in the future if that were the desire.

Dave Sobeck, from Carollo Engineers, stated we stopped short of primary drilling in this contract because of the cost. The information we get without it will be helpful in future decision making. The other items are strictly at the guidance of Council. Logan Simpson Design is here tonight if you have questions on the design of the wetlands component.


*Mayor Adams took it to the public at 8:28 p.m. Not seeing any, he brought it back to Council.*

Councilor McIlroy stated he looked at hours and costs on page B-21. He took the hours he had, 840 hours and \$148,900 which came to \$177 per hour. Do you have a base hourly rate that you use when you do your estimates and calculations?

Dave Sobeck stated typically it's around \$150 per hour for a design project. This involved some additional experts for the design. It depends on how the definition of the facility gets laid out and how much design effort goes into it.


Councilor McIlroy further noted the hourly rates varied throughout the contract. Is it because some people on your staff are on a higher level.


Dave stated some of the pages are for our subconsultants so they have different billing rates. We've done contracts with the city in the past where we do an overall subtotal. But in this case we chose to broke it out in case some of those projects don't get approved.


Dave stated the phase I project would get the city the design of the wetlands, infrastructure and some planning components. 

Councilor McIlroy asked what is the time frame for completing this?

Dave stated from a design standpoint typically we've done designs in as little as six months. Sometimes it can take a bit longer.

Charles Mosley stated he was seeking to minimize the design effort by having someone familiar with the design process.  His expectation was that it would be able to be done in a six to seven month period. The \$349,964 includes about \$96,000 toward the injection effort.

Councilor Rayner stated under task 400 on page it indicates there's constructed wetland design implementation and monitoring.  What does the monitoring refer to?

Dave stated right now, the ability to do monitoring of the newly constructed wetlands area will be available to help understand what kind of seepage and evapotranspiration we'd be getting. 

Councilor Rayner stated what is the experience with cities that have wetlands with build up with salinity over a period of time? What is the experience with that?



Ava Davis, with Login Simpson, stated they'd select plants that could deal with salinity.

Councilor Rayner stated when we first talked about this we weren't considering plants that would tolerate higher salinity. This just occurred to him.

Ava stated that would be part of the whole research process.

Councilor Rayner stated that's an important consideration, he wishes he would have thought of it sooner. Is there a length of time where these things have to be pumped out or rejuvenated in some way? There's not an infinite tolerance.

Dave stated we haven't seen issues in Gilbert or Chandler specifically, but that's only been 10-12 years.


 Charles Mosley stated salinity has always been the bane of irrigation facilities going back through time. It is going to be a factor we'll have to watch as far as plants being able to grow. The rate at which they accumulate depends on the exchange of water. 

Councilor Rayner stated the other part of his question was task 500, the existing effluent management system evaluation. The existing system is the spray and what are we planning on doing in terms of evaluation there?

Charles stated right now we have a system that disposes of the water. We want to make sure that by implementing the wetland in phases we aren't shorting ourselves by taking some water out of irrigation or change the way the water is moving. It's looking at the process to make sure we still get rid of the same amount of water.

Vice Mayor Hamilton stated we have to have A plus water to do an injection well is that correct?

Dave stated yes. For the first phase of the wetlands we'd continue with the water quality you have. If we moved past that we would have to upgrade the plant to A+.

Vice Mayor Hamilton stated he has a number of concerns about trying to engineer biology where you just can't do it like measuring evapotranspiration. Some of those things can be worked out if we do the right process through the initial work stages. There are a whole lot of things that we're overdesigning, paying for studies that we don't need or simply can't be done. Rather than get into all that, it is a not to exceed contract. When we get to the work shop planning stage of this he hopes they'll cut things that aren't essential instead of wade through it all tonight. 


Mayor Adams asked what exactly are we going to find out regarding injection? What do we anticipate being able to answer? Are we anticipating determining if there is an aquifer there that will retain the water so we'll be able to store water or will we determine that there's no way to store the water and it'll flow into the Verde River?

Charles Mosley stated by doing the testing we want to discover whether or not there is a possibility of storing water. Then we need to decide if we want to pursue that. We have a 2 dimensional picture now, we're looking for a 3-dimensional. We're also looking for a better location for a test well. We're trying to gain certainty as we move ahead. We've looked at possible location for injection wells.

Dave stated in addition to giving us a 3 dimensional picture of what that aquifer looks like. We're hoping to have an idea what that aquifer looks like and our capacity to push water into the aquifer. We're going to use the existing potable water well. That's contingent to us finding out if that's a good location for that test.

Mayor Adams stated Council is concerned about pharmaceuticals in A+ water anyway. Is it ethical? Are we contaminating the aquifer or the water supply, we want to be comfortable with that.




Councilor Rayner stated our wastewater treatment commission did not recommend ozonisation, but if we were to be proactive, it would be more expensive but would be better off getting an ozonization system in there. Then we may not have some of these ethical concerns because it would break down some of these components much better than a UV system would. You do have engineers on your staff, what has been your experience with cities using this ozone system? 

Dave stated the biggest downfall to ozone systems is it is very high maintenance very high operations and maintenance. When we looked at potential technologies, there was a benefit with

sticking with UV knowing they show promising results. Ozone is a viable technology. We wanted to provide something the plant staff is familiar with. But we're comfortable with ozone and agree it's a great technology.


Councilor Rayner noted he feels the cities are always playing catch up. Are there any cities using peroxide?

Dave stated not locally. One of the questions about any of these processes out there is making sure they're customized to treat whatever you want to treat. If you put in a system now how do you make sure you can handle something in the future? 




Councilor McIlroy stated if we go forward on this access of wetlands and injections, are we also moving forward with upgrading our system to an A-plus system.

Charles stated right now it's lagging but the idea is to continue to move ahead with upgrading to A+. He anticipates that would be in the next phase of the project. No matter what approach we go with, all three involve going to A+ water. The only thing that doesn't involve going to A+ is spray irrigation. But injection and wetlands both require A+.

Councilor McIlroy stated the time frame is 6 to 9 months are we also doing something on upgrading the water at the same time?


Charles Mosley stated we are not. The way the contract is laid out there are optional tasks that would allow some design to move forward on the UV. That's if money is available to move forward with that this year. 

Vice Mayor Hamilton stated he wants to be sure that everybody understands that we need a strong process of looking at these and retooling some of these options related to the wetlands rather than try to mess with that all tonight. There are a lot of things in here we really need to do. Telegraph Lake was built 40 years ago in Show-Low and if you were to go there today it looks like any other natural marsh there. He's disappointed that the folks who are experts at designing wetlands don't know the answer. He thinks wetlands will prove to be the major item that will work for us out there. With the contingent that we will iron out a lot of things that we need to iron out he is happy to move forward.

Councilor DiNunzio stated he'd like to take a slightly different look at it. He would like the Council to table the expenditure for 6 months. His reasoning is the economic clouds on the horizon are pretty significant and we are just now entering our fall tourist season and if the economic downside materializes and if 89A in January is on the table and we are looking at a major expenditure then we have some major financial unknowns on the horizon. To proceed down the road in committing this money seems we might be better served if we wait until the spring and see what type of tax revenues we've generated.  Another factor in it is that the sustainability committee will be up and running and he continues to have concerns about the sustainability of our water resources. He wrestles with taking water and converting it to a form other than water as a sustainable environment.  There are a number of reasons in his mind to not move forward tonight, but let more time pass to find out how we're doing financially. And have our sustainability committee give us some feedback. 

Councilor Litrell stated this is a project we talked about awhile ago. Do we see budgeting as an issue.

Tim Ernster stated we currently have the money budgeted in the current fiscal year so he doesn't see that as a problem. Right now we are in good shape.


 Councilor Litrell stated this is a project we need. She is excited about moving forward. If we find there is a situation where we have to cut back for any reason then we can do that. She gets a sense that most of this is a design element, but it seems like the Phase I sets us up for implementation.

Councilor Ward, Councilor Litrell did it again she took my words so he's done.


Mayor Adams asked if the cost of the excavation is included in the \$349,964?

Charles Mosley stated the cost of the excavation is not included in the \$349,964. It is allowed for in the \$553,000 budget.

Mayor Adams asked why aren't we saying we are approving \$553,000 rather than the \$349,964?

Charles Mosley stated the reason we're not approving \$550,000 is because we don't know the exact cost of the wetland and it's not being done by Carollo. It's been done by the Job Order Contract being done by Brewer Brothers. If money were available this fiscal year, the \$448,000 could be improved. It was meant to expedite the study and move it forward as money became available. 

Mayor Adams asked if Council is clear on that in terms of what we're doing? He thought we'd get constructed wetlands out of this. He wonders if the motion is worded clearly for us.

Tim Ernster stated Council has already authorized a contract with Brewer Brothers to do the excavation for the wetlands. That work will be paid for out of the \$550,000. The total budget in the current fiscal year is \$553,000. Any money that's left over we could use to any additives for the \$448,000. We will not exceed the \$553,000 already approved in the budget. 


Councilor Litrell stated so she's thinking what we should be doing is approving the \$349,964, knowing that it can go to the budgeted \$553,000, but she is reluctant at this time to authorize the \$448,000 which comes out of next year's budget.

Tim Ernster stated Council could elect to wait until next fiscal year.

Mayor Adams stated he could support that if we have the caveat that the injection test must be approved by Council. The intention is the final design of the wetlands will be coming back to Council as well.


Charles stated the \$448,000 can't be used without Council authorization but if Council wanted to approve the \$349,964 that would work too.




Vice Mayor Hamilton by the time we get to the 30% design phase we have in our hands enough stuff to start shopping this to folks who can help us financially. There's a long list of potential partners to give us money to complete part of that work. 


Councilor Rayner stated he's disappointed that the Mayor cut him off when he asked a question. Now it's finally come back to him and it doesn't make any sense anymore. It's not clear to him whether we've agreed to this or not.

Mayor Adams stated he requests to be recognized before he starts talking.

Councilor McIlroy asked if we approve the \$349,964 and you focus on the 27.2 acres and 9 months go by, what will be have at that point? 

Charles Mosley stated you would have a constructed wetlands that would be in the process of monitoring.

Councilor Litrell stated she's still not comfortable with the dollars. If we look at \$349,000 that we're approving for the base scope of work, why can't that say the "not to exceed" the total amount of \$553,000. 


Charles Mosley stated the key to that \$448,192 is "subject to the City Manager's written consent to proceed."  The life of the contract can exceed the fiscal year. The fact that we have this other that has to be authorized means we don't authorize anything that exceeds the fiscal year's authorization. We could use all the \$349,000. Then we could authorize \$50,000 of the \$448,000 and that keeps us under the \$553,000. Then we would not authorize any additional work on Carollo's part even though the contract might be alive.

Councilor Litrell asked if we can authorize the \$349,000 and you can come back to us if you need something more?

Tim Ernster stated certainly.

Councilor Ward asked did he understand that the \$448,192 contract for additives was locking in a commitment from Carollo for costs.

Charles stated yes, scope and cost, whether or not we spend it this year or next. You're not spending the money, you're accepting the contract.


Tim Ernster stated we only have \$553,000 to spend in the current fiscal year. Charles was trying to lock in some contract costs with Carollo. If we haven't spent all the \$553,000, that difference could be spent on some of the additives of the \$448,000 in the current fiscal year. The idea is to keep the project going. 

Councilor Ward asked if we could insert the word contract after Phase IIA Scope Additives because we're just approving the contract not the expenditure, correct?

Charles stated he's fine with that.



***Motion: Councilor Ward moved to approve a professional services contract with Carollo Engineers, for Phase IIA Effluent Management Plan in the amount of \$349,964 for the base Scope of Work, plus, subject to the City Manager's written authorization to proceed with various items of additive work, Phase IIA Scope Additives contract, not to exceed the amount of \$448,192, all subject to approval of a written contract by the City Attorney's Office. Seconded by Mayor Adams. Vote: Motion carries six (6) to one (1). (Councilor DiNunzio opposed).***

**f. AB 1011 Public Hearing; Request for a Three-Year Extension of Zone Change Approval for the Falls at Oak Creek, a Proposed 47-Unit Single-Family Residential Condominium Development Located at the Site of the Oak Creek Mobile Lodge.**

Tim Ernster  recommended City Council deny the zone change time extension. Tim stated staff was present and could give a presentation or they could just be available for questions. There is no acceptable agreement in place for the payment of old wastewater fees. There were 4 different alternatives for Council to consider. The key issue is his recommendation is to deny the zone change time extension and Council can decide if you want it to revert to the old zoning or not.


Beth Escobar gave an overview of the request. The conditional rezoning was to planned residential development for a 47 condominium unit. There will be five buildings arranged along the site. There were a total of 9 public meetings and 2 community meetings done by the architect. The project will provide 7 affordable housing units. That is locked in. The southbound right turn lane would need to be put in under ADOT's specifications. That cost will lie solely on the developer. Anyone new who might purchase the property and do something different would need to start the process all over. The property as it was previously zoned could be subdivided into seven, single family plots.

*Mayor Adams took it to the public at 9:29 p.m.*

Jan Barnes, Sedona, thanked the Council for its due diligence. She wrote them all a letter very specific about her objections to the project. She wanted to recap her feelings about the character of the neighborhood where she lives. Her home was built in 1948 and it is rare to have that kind of lifestyle in Sedona. She thought she'd always be protected by the Community Plan, which she thought would protect neighborhoods such as her.  Most of the neighbors thought the project would never be approved for that reason. When she studied the Community Plan she realized there were a lot of variances granted to this project. She couldn't understand why that happened. So she looked for the advantage to the public. She doesn't look at it as a big improvement. The scales of the buildings are massive and look right down on her. Because the scale only requires the developer to notify people that are 300 feet from the project, there weren't a lot of people who were notified. A lot of her neighbors felt violated by the size of the project. This project is going to affect a lot of people. She honors that the Campbell family wants to improve their property, but she thinks the pendulum swing has swung too far the opposite way. 

Caroline Mitchell, Sedona, stated has the property directly across the creek. She has 5 acres. She will be facing the massive structure. Right now she doesn't object to the little mobile homes that are there right now. When they build a three story high structure, she'll be directly across and she'll be staring at it.




David Goldman, Sedona, stated he has been against the zone change from the beginning and his feelings have been well documented. He's been here for four hours and he's impressed by the questions Council asks. They do listen. His main grievance has been that the Campbell family has been getting preferential treatment from the city from the beginning. It appears to him that this was a done deal from the beginning. It seemed like even though he and his neighbors had the opportunity to speak it seemed like it fell on dead ears. Behind the scenes something has been going on that he doesn't know about and it bothers him. He knows the affordable units the project will bring are a shame. It does nothing to address the loss of the 50 low income units that are there now. It is a beautiful area down there. He lives across the street from Copper Cliffs. He's impressed by how different it is. Why weren't we notified about the lack of payment for the sewer fees. It makes no sense that the lady in charge didn't inform John O'Brien so he could inform us. Which leads him to think that behind the scenes this was pushed forward. 

*Mayor Adams brought it back to Council at 9:38 p.m.*

Councilor Ward asked John O'Brien to respond to David's comments regarding Planning & Zoning Commission and special treatment.

John O'Brien stated he doesn't know what he's referring to and he has no comment. We notified 105 property owners, we did the notice in the Red Rock News. This project had more public meetings than most projects.

Councilor DiNunzio stated one of the options is to deny the zone change time extension, but not require the reversion of the zone change. What if a buyer comes in, if it hasn't been extended does it continue to exist?

 Attorney Goimarac stated yes, it would require that whole public hearing process to revert the property back. If you selected that option, you're saying you're not going to grant the time extension. This property has been subject to the zone change for an extensive period of time, now you're faced with the same criteria that Planning & Zoning Commission looked at in determining whether extension is appropriate.






Councilor DiNunzio stated so if that option were chosen and a buyer came forward in 6 months could they automatically do that?

Mike Goimarac stated yes the zoning would still be in place. You could also decide to revert it 6 months from now instead of tonight.


John O'Brien stated the council could deny the time extension, but you'd have to go through another step to revert the zoning back to single family residential. If that's what Council directed staff to do, we'd notice the zone change back to RS, it would go to Planning & Zoning Commission, then it would come back to Council for another public hearing.

Councilor McIlroy asked if they haven't paid the sewer fee because they don't have the financial resources?

John stated that's his understanding.

Ross Campbell, San Diego, CA, thanked the Council for its time and consideration tonight. As has been pointed out have not been able to resolve the sewer fees with the Director of Finance. It is not a situation where we would jeopardize this project if we could avoid it. There's no question that these are difficult financial times and we're no exception. We didn't want to agree to terms we knew we couldn't meet just to get the extension.  Standing here tonight looking at moving forward we have two potential proposals with respect to the sewer fee issue.  As a means to potentially address that issue we would ask that the city express the condition on our family becoming current on sewer fees before we could pursue further with the project. If we didn't satisfy that obligation, the project could not go forward. We feel that could be a reasonable middle ground.  In the alternative as a second proposal we would request this hearing be deferred 90 days until the first Council meeting in January, based on the discussions we're having with our new lending institution. They were impacted by the SR 179 construction. We would request that finite extension to allow us to address these issues. My parents have owned and operated the property for 30 years. We have had a history. We have made good on coming current with sewer fees in the past and we think we can do that now, we just need additional time to do that.  There was an extensive review process. The project was reworked numerous times because of that. This truly was a collaborative process, we feel. We came back many times in front of Planning & Zoning Commission and Council. The affordable housing component isn't a shame. We think the extension criteria has been met. 

Councilor McIlroy asked how large is the parcel in question?

Ross Campbell stated it's three acres. We're exploring new options with a new lending institution. 

Councilor McIlroy stated if we don't improve the extension what would the consequences be to your family?

Ross stated it would be losing something that we've spent years on and it's not just us. Staff has spent considerable time on this project. This is a good project, we feel it's a model project.

Councilor McIlroy asked if they're reasonably sure they could move forward on the project with new financing and pay the arrears for sewage fees?

Ross stated he can't be confident with that. He doesn't anticipate them being able to pay that in one lump sum.

Councilor DiNunzio stated it has been mentioned a number of times that the family has made significant expenditures since the zoning change has approved. Can you tell how much?

Ross Campbell stated he thinks it's about \$38,000.

Councilor DiNunzio asked if the property is in jeopardy of being repossessed?


Ross stated we're trying to remain current on our payments, but that is a significant concern.


Mayor Adams stated obviously it is not free and clear if someone owns a deed of trust.

Ross Campbell confirmed. We still owe funds to the architectural firm. We sought additional financing in the interim to try to make the necessary improvements.


Mayor Adams asked if they owned the property free and clear at one point and now they've taken out a second mortgage on it?


Ross stated there has been a primary trustee on it for some time.

Mayor Adams stated he can ensure everyone that nothing was happening behind the scenes. That simply didn't happen. There were some variances made to enhance the project. A lot of the project was in the guidelines of our Community Plan in the first place. A large attraction was to the affordable housing and the environmental concern of the project. The applicant is entitled to improve his property if he chooses. Speaking for himself, he felt he was misled in terms of their intentions. He thought the family had the funds to move the project forward. Almost the day after the entitlements were granted, the Campbell family put the property on the market, trying to flip the property. So he has some hard feelings about that, but that doesn't enter into the decision we make here. 

Barbara Ashley stated she met with Mr. Campbell and we went over his finances for a couple hours. We just couldn't come to terms. He wanted to defer to January to start making payments so that's where we got locked in. A couple weeks ago she heard from Ross and he proposed the same payment plan. At that point she turned it back over to the City Manager. 



Ross Campbell stated both he and his brother have contributed as much as they can to the project and ensuring that payments to the first trustee are made. His brother contributed a significant amount to the last payment. My mom liquidated her 401K. It's the current economic environment. It is what it is.

Mayor Adams asked if they were proactive about paying their sewer fees. 


Ross Campbell stated he doesn't think there was a discussion either way leading up to the last hearing. It's a two way street.  We are doing the best we can on trying to maintain the property and that has been really impacted by State Route 179.



Councilor Litrell asked how many units are rented now?


Ross Campbell stated it's about 25% vacant, which is slightly better than 179 construction.

Councilor Litrell stated she has a slight problem with some of the conflicting information here and it's hard to feel like we're hearing truth. From every neighbor that she talked to they didn't feel that they were heard. We can often say we did a public process, when neighbors feel like they've been ignored that's not really adequate.  There is a lot about it that she does not feel comfortable with.  Not taking care of the sewer fee and not contacting the city about it. It had gone for months without anyone coming to the city to say what the issue was. She feels we're not getting the real story. She doesn't know how he can fix that because there are too many conflicting things. Are you going to build or sell it to someone to build. If so, she'd rather leave it as it is with it's current zoning.

Ross Campbell stated in terms of flipping the property, we've been here 30 years as owner and operator. We'd be happy to sit down with anyone on Council to show that we're just not paying the fees. We're happy to show you that we're losing money each month. That is the case. We met with neighbors individually. We went above and beyond to do that. If you look at the minutes from the last Planning & Zoning Commission hearing they indicated they wish there was as much collaboration in other projects so he doesn't feel that that is the case.

Councilor Rayner stated if he was a businessman diligently pursuing implementation of a project like this his first line of business  would have been to pay off the sewer bill. He's questioning why it wasn't done in good faith. You said it was thoroughly vetted by Planning & Zoning Commission. What would have happened if Planning & Zoning Commission had the information that the sewer bill wasn't being paid. However he still feels if someone is moving ahead with this kind of a project that all this information should be passed on. That's what thoroughly vetted to him would be.

Don Campbell stated he never intended to cheat the city or be deceptive about paying the sewer fees.  As he became increasingly late on his sewer fees he realized that had happened before. At one time he owed the city \$125,000 and he's since paid them. He thought it would be modeled on the past plan. He never deliberately meant to deceive anybody. In the last 2.5 years, this economy has been so volatile that it's simply a matter of survival. He's trying to take care of a park that for 29 years made a good living and today is 25% vacant. Another 27% haven't paid since last month. Two of three who come through his door want to trade work for rent. We're in the middle of a depression. He would like to know more clearly about what would be the destiny of this property if it's not rezoned.  He can go back to 1993 and document 19 agreements this city didn't keep. He didn't mean to come in here being resentful, but he feels he's on the defensive. Mr. Campbell handed out a copy of an agreement regarding tank pumping. This property is worn out, it needs to be improved. Another problem is SB1070, along with the economy and the highway construction. What would be our options if we don't get entitlement.

Councilor Rayner stated he's not sure his questions were really answered. If you were diligently pursuing implementation of this project, the first thing he would have done was paid this off. 

Ross Campbell stated the financial situation is a real one. We are two months behind in our payment to our first mortgage holder. The money is going to that effort. It's not an issue of just deciding not to pay the sewer fee. There are other issues that have required us to use those funds elsewhere. The property's income has dropped significantly. We have so much inventory in the real estate market where someone can rent a home for a reasonable amount.

Councilor Rayner stated it's not up to the city to find what you can do with this property. He doesn't care.

Ross stated we're not developers, we've never hidden that fact. We've explored all options. There's just no one out there interested in a condo project right now.

Vice Mayor Hamilton asked if it's possible for us to be told in public how much the sewer arrears is?

Barbara Ashely stated \$26,924 that's continuing to accumulated.

Vice Mayor Hamilton stated if we grant an extension and nothing happens in three years, then what happens?

John stated staff would come back to Council to see if they want to take it back to RS18B zoning?

Vice Mayor Hamilton stated if they get the extension and you only get one and the time expires?


John stated that's correct but it doesn't automatically go back. You'd have to take public action to take it back to its previous zoning.

Vice Mayor Hamilton stated he's understanding from other public sources that the economic hardship that is discussed here tonight may significantly be your own doing in that this property has been refinanced a number of times, the equity taken out so though you've owned it for 30 years, you have relatively little equity so that's why you're behind on mortgage payments. The economic hardship you are telling us about is not necessarily the economics of the time but perhaps the economics of your management. Mike Goimarac is that something we can get into?



Ross Campbell stated for us the financial hardship relates to increased vacancies that we've had in the past two years due to the highway construction and the recession. For a period of time it was almost impossible to get into and out of the property during the construction.

Mayor Adams suggested to Council we consider a deferment until the first of January with the understanding that if you do not bring your sewer fees current at that point we will automatically deny the time extension and start the procedures to revert the property back to its original zoning. He knows they've spent hundreds of thousands of dollars on this project. He understands it's a tough economy. He's concerned about the fact that there may not be a financial solution for them forever.

Don Campbell stated he appreciated the direction the Mayor is going.  That operating income has gone from \$295,000 down to \$161,000 a year. He's thankful he's still in business at all. He's always been somewhat confused of what happens when we say revert. What exactly does that mean? Does that mean he goes back to existing use, legal non-conforming?

John O'Brien stated you have a legal non-conforming use as a mobile home park and that will stay whether we revert the zoning or back. That can continue its use as a mobile home park.

Mike Goimarac stated they only get one time extension, so if you grant it to January, that's it. They won't get another one. He's hearing that financially they cannot pay their sewer fees, so you need to take that reality into account on whether or not you feel there are capable of diligently fulfilling this project.

Mayor Adams stated we couldn't not grant the time extension tonight, but not revert back.

Mike Goimarac stated one option if you can deny the time extension but not instruct us to revert the property. You can give them a period of time, you can forestall reverting until January to see if they pay their sewer fees. If they pay and are current, you can do it that way.

John stated if you deny the time extension they have to start over from step 1, all over again anyway.

Councilor DiNunzio stated if the property is foreclosed on by the lender will the city start collecting fees from the lender and will the city be able to collect back fees owed by the property legally?

Mike Goimarac stated sewer fees run with the land. Typically when a property exchanges hands through a valid sale, you can collect fees through the sales process.

Barbara Ashley stated on a foreclosure property the city requests the fees and sometimes they are collected or sometimes they are not.

Councilor DiNunzio stated how are these fees going to be caught up to date?

Councilor Ward asked is the value of the land the same under either zoning?

Ross stated it could be significantly different. The condos could confirm more value.


John O'Brien stated he thought the rezoning to allow for condos would definitely increase the value regardless of whether the condo market has lowered.

Councilor Ward stated assuming the project is dead our decision to keep the zoning as change is the impact of the value of the property on the Campbell family, is that true?

John stated the 47 condos is more valuable than the previous zoning.

Councilor Ward stated he thinks the project is dead, we shouldn't grant the extension, but let the zoning change.

Don Campbell asked if the project dies does it move to its previous use.

John stated regardless what happens tonight, the mobile home park can stay. That can stated as a legal non-conforming use as long as it's not discontinued for 6 months. 

Vice Mayor Hamilton stated the current sewer fee per month do you have a ball park notion what that is? Mr. Campbell you said you were losing \$2,000-\$4,000 a month on this property does that include your trustee payment?



Ross Campbell stated it includes the payment.

Vice Mayor Hamilton stated he's trying to figure out what the overall net loss on this property is.

Barbara Ashley stated the sewer payment is about \$1,800 a month.

Vice Mayor Hamilton stated so this property is accruing a debt of \$4,000-\$6,000 a month.

*Mayor Adams took it to the public again at 10:43 p.m.*


Jan Barnes, Sedona,  stated Fischer Industries has led us to believe that the Campbell family has been compensated for blocking their driveway during construction. To clarify the speculative nature of what this project was intended, there was marketing information for this project before this final approval was given. That's why the neighbors felt this was a slap in the face. Mr. Campbell has divulged to a few of us that his intention was a speculative nature for the property. The reason to get the rezoning was to maximize the value. 

Dave Goldman, Sedona, Councilmember Rayner mentioned this is about business. His property has value at any zoning. This is about maximizing profits. Which he can understand. This is seems to have been pushed forward by forces that he can't understand. What he's heard tonight from the Campbell family, his father would have said, "cut the b.s."

*Mayor Adams brought it back to Council at 10:46 p.m.*

Councilor Rayner stated he cannot approve an extension for this and he would push for initiating proceedings for reverting back to its original zoning, which is alternative #4.

Councilor McIlroy stated his heart goes out to the Campbell family because he can realize they're trying to preserve their investment. He's not sure what he wants to do.

Vice Mayor Hamilton stated he did a quick calculation. If the property is running about 25% vacant and you get \$7,500 a month, that comes close to the sewer fee and the payment on the property. It looks like you just can't get there from here. He understands its been in the family for a really long time. He fears we're going to have to cut this at some point.  He asked John O'Brien if we deny the zone change, that's their one shot at getting a time extension. John stated that's correct.

Vice Mayor Hamilton stated he'd favor a short extension to give them time to bring their sewer fee up, but we can't do that. There's no way to get out of it. He'd prefer #3, but he wishes there were some creative way to give a little more time. Mike, could we continue this hearing and essentially do nothing without causing it to revert or be their one-shot opportunity?



Attorney Goimarac stated you could continue this until a later date.

Vice Mayor Hamilton stated that is where he would like to go with this.

Councilor DiNunzio stated it's like Déjà vu all over again. We need to do what is right for the city and be consistent with how we handle this situation as compared to others so he divorces himself from the delinquent fee and thinking in that way. In 2007 the project was developed and in 2008 rezoned for two years to allow the project to reach fruition. In recoveries the development of condos is one of the last things to take place. He doesn't see 90 days or a couple of years changing anything. It will be a long time before the project would get feet if we were to renew it. He hasn't heard anything tonight to say the family has the financial resources to stay that course of operating a continuing declining business venture. So thinking in terms of what is best for the city he decides on option 4.





Councilor Litrell stated she was not on Council when the project was approved and having visiting the neighbors and the community she's not sure she would have supported the project.

 The community benefit of 7 affordable housing units compared to losing 59 affordable housing units, so there's a consideration there. She appreciates that the family has been running the affordable mobile home park for all the years. It doesn't appear as though the project is moving forward or can move forward in the foreseeable future given the resources they have and the current economic situation.  She doesn't know how long it will be before the housing market improves but it's certainly not tomorrow and not in a year. We need to cut the cord and she would vote to revert the zoning.


Councilor Ward stated it's interesting that planning and zoning is going through the process about how they want to handle extensions. They are undecided about how they want to handle it, but in the meantime we've got what we have and we've already granted one extension. He would vote for not extending the project and he's still thinking about whether to revert or not. He's still deciding between 3 and 4. He'll go with 4.

***Motion: Councilor Ward moved to deny the Zone Change Time Extension, TE 2010-1 for the Falls at Oak Creek project due to the fact that the applicant has not demonstrated good faith diligence in pursuing implementation of the development by virtue of the fact that he has not paid outstanding sewer fees owed to the City in the amount of \$26,924.00 set forth in Section 400.11.B of the Land Development Code. He further moved to direct the Community Development Director to initiate proceedings to revert the property back to its former zoning. Seconded by Councilor Rayner. Vote: Motion carries six (6) to one (1). (Opposed by Councilor McIlroy.)***



**g. AB 1065 Discussion/Possible Action; on the Formation of a Sustainability Commission.**


Audree Juhlin stated  at the Council's June 28<sup>th</sup> retreat you discussed the importance of sustainability in Sedona. Staff looked at different communities around the country.  We looked at communities that have similar goals and objectives and communities that have sustainability commissions. We have a resolution for you tonight that would allow you to form a commission. Staff had guidance from Vice Mayor Hamilton and Councilor Rayner and Councilor Litrell in drafting the resolution. Action was taking earlier tonight in disbanding the WCAC and folding in their work items with this new commission. The recommendation includes advising Council on sustainable matters such as energy, air and water quality, water policy, composting of waste, green infrastructure and food supply agriculture uses, building codes and designs, transportation, economics and any other related sustainable item Council may want to consider. Council has its authority to establish the commission and the resolution in your packet would do that. We've developed a draft mission statement for your consideration.


*Mayor Adams took it to the public at 11:06 p.m.*

John Neville, president of Sustainable Arizona, stated he's been involved in sustainable development for three decades.  He did some surveys with those of us who are already engaged in sustainable activities in the area. There are a number of organizations that are actively engaged in the work items you have listed to be accomplished by the sustainability commission. Two things occurred to him and that is if you want to commission to be successful it should include people who are actively engaged in sustainability efforts in the area. The second thing is




those guys are busy and are over committed already. If you want the best people involved you need to operate it in such a way that minimizes the meetings so people can actually contribute. So the commission will facilitate the work that's already being done. If we formed the commission in a way that we cherry-picked these people to be on the commission and figured out a way to schedule meetings that we could actually make them. The purpose of the commission would be to make recommendations based on the joint recommendations of the other groups for activities you could support that would be a direct benefit for the sustainability efforts of Sedona.,  

Councilor Ward stated he read over the information from John for the purpose. Do you see the resolution drafted by staff is in accordance with your purpose? 


John Neville stated yes, but the one thing that encouraged him was that the commission would do the education outreach, when there are already organizations that are doing that. You're going to lose people who can't afford to come to 2-3 meetings per month. We have a virtual meeting environment in the SEDI. We can do the same thing here, leverage the resources we have and take advantage of the people we already have working on this. 

Vice Mayor Hamilton asked where does what John is suggesting put us in regards to the open meeting laws?


Mike Goimarac stated probably not in a very good position. Any kind of virtual meeting would have to be noticed to the public and the public would have to be able to participate.


Mayor Adams stated his idea was the committee would be meeting once a month not three or four. 


John stated we're just trying to work out a methodology to be able to do this. We can work out some way to make reports public. He's sure there's a way around this. SEDI is funded by Coconino County so we have rules and regulations too, but we're able to do these virtual things.

Brent Bitz, Sedona, expressed his support for the Sustainability Commission. He expressed his support for the drafted resolution with the amendment of inclusion of a water policy. Water is the sustainable issue for Northern Arizona. If you add policy as part of the obligations it will allow you to use the resources of the people on the commission. 

Mayor Adams stated we need to give preference for at least one WCAC person to be on the sustainability commission.

Al Spector, Sedona, stated he asked for one minute to make a statement on Jennifer Wesslehoff's behalf. She asked Mr. Spector to express the Chamber of Commerce's support for the Sustainability Commission.  He has 400 employees here. We started a sustainability program at L'Auberge, Orchards, Canyon Breeze, Canyon Portal and all Sinaguan shops. It says "Uptown businesses set Example." It encompasses 37 businesses. His son took the project from start to finish. This top down approach to recycling sets a great example to other businesses. His son is a senior majoring in sustainability. Under his direction we now recycle all cardboard, all plastics, all aluminum and glass, and we donate linens, shampoos and soaps. We cut our landfill waste by 50% for all those properties. We redid all contracts for all the people involved in the waste collection and are only using local companies. We are saving \$50,000 per year by

recycling. In the spring they will begin composting all their organic waste. We'll be reducing our waste by 70%. So obviously we surely support the creation of this commission.  This was incredibly difficult. This is real hard work. Chris is in the kitchen from 9 p.m. to 2 a.m. telling people where to put things because all that's changed. And it got nasty because people have been doing the same thing for 20 years. We had hell breaking loose but at the end of 6/7 weeks everyone bought on. The commission should be structured so that it teaches people in the commercial how to do this because it can be done. He's real proud of his son. He'd love for you to consider Chris when you're picking people for the commission because he's a tough kid.

Paul Piotrowski, Sedona local representative for Waste Management, we bring a large amount of resources we are the leaders in North America of what we do. We employee 52 people in the area. There's not even a recycling container in your lobby. There's a need for a commission. We want to be a part of this in Sedona. 


***Motion: Mayor Adams moved to approve Resolution 2010-28 establishing a Sustainability Commission, prescribing the roles and responsibilities, and providing for the appointment of commission members with the change in the resolution under Section 5 bullet point "water" to include policy and education and under the bullet point "transportation" to include vehicles . Seconded by Vice Mayor Hamilton. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.***

**Mayor Adams stated we'll move the rest of this discussion to the next available work session. We can't do it tomorrow night.**


#### **h. Discussion/Possible Action on Future Agenda Items.**

**6 Summary of Current Events:** None

#### **7. Reports/Discussion on Council Assignments**

Councilor Ward stated Jim Eaton and Alex Gillon's terms have expired and they only had Alex apply. Alex has agreed to remain on the commission until they get enough applicants to take care of that. The Forest Service is going to put out an RFP for a shuttle between trailheads and they'd be paying for part of that. 

#### **h. Discussion/Possible Action on Future Agenda Items.**

 Mayor Adams stated we have a work shop tomorrow from 5:00-7:00 p.m. On Monday, October 4, we have media relations from 8:00 a.m. to noon. On Wednesday, October 6, we have the mayor/manager meeting at 2:00 p.m. He encourages everyone to be there. Tim Ernster stated it's supposed to be just for the mayor and city manager. Housing committee joint meeting with Council on Monday, October 4 at 5:00 p.m.

Councilor Rayner stated he thought Ginger was going to come forward with more information about the media training.

Councilor Litrell requested for the next meeting for Council to consider writing a letter to Congress members who did not support the NSA.

Mayor Adams stated he thinks it's a good idea. Maybe he can work out a letter with staff and we can send it out.

Mike Goimarac stated you can't decide that tonight. One of you put it on the consent agenda.

Councilor Litrell stated we have some templates already.

Mike Goimarac stated he's hearing her ask for it to be on the next consent agenda.

**11. Executive Session**

**Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:**

**a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. §38-431.03(A)(3)**

**b. Return to open session. Discussion/possible action on executive session items.**

**12. Adjournment:** Mayor Adams adjourned the meeting at 11:35 p.m. without objection.

**I certify that the above is a true and correct summary of the Regular City Council Meeting held on September 28, 2010.**

\_\_\_\_\_  
Alison Carney, Deputy City Clerk

\_\_\_\_\_  
Date